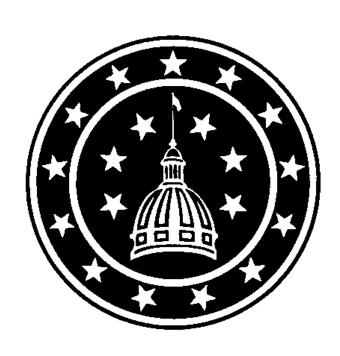
ANNUAL REPORT OF THE ADMINISTRATIVE RULES OVERSIGHT COMMITTEE



Indiana Legislative Services Agency 200 W. Washington Street, Suite 301 Indianapolis, Indiana 46204

November, 2006

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ADMINISTRATIVE RULES OVERSIGHT COMMITTEE

Membership Roster

Representatives	<u>Senators</u>
Michael Murphy Indianapolis	R. Michael Young, Chairperson Indianapolis
Jerry Denbo	Luke Kenley
French Lick	Noblesville
Scott Pelath	Lindel Hume
Michigan City	Princeton
Phil Hinkle	Richard Young
Indianapolis	Milltown

<u>Staff</u>

Sarah Burkman Attorney for the Committee

Chuck Mayfield Fiscal Analyst for the Committee

A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Committee can be accessed from the General Assembly Homepage at http://www.in.gov/legislative/.

I. STATUTORY DIRECTIVE

IC 2-5-18-4 establishes the Administrative Rules Oversight Committee (AROC) and gives the Committee oversight over the rules of most state agencies. IC 2-5-18-8 specifies that the Committee's oversight functions include the authority to do the following:

- Sec. 8. (a) The committee shall receive and may, at its discretion, review a complaint filed by a person regarding a rule or practice of an agency.
- (b) The committee may review an agency rule, an agency practice, or a failure of an agency to adopt a rule.
 - (c) The committee may recommend that a rule be modified, repealed, or adopted.
- (d) When appropriate, the committee shall prepare and arrange for the introduction of a bill to clarify the intent of the general assembly when the general assembly enacted a law or to correct the misapplication of a law by an agency.

Additionally, under IC 4-22-2-46, the Committee "shall carry out a program to review each rule adopted under this chapter [IC 4-22-2] that has a fiscal impact of more than five hundred thousand dollars (\$500,000)." Under IC 4-3-22-13, the Office of Management and Budget (OMB) is directed to: (1) perform a cost benefit analysis on each proposed rule; and (2) provide to the Governor and the Committee an assessment of the rule's effect on Indiana business. In accordance with the Committee's "program of review" under IC 4-22-2-46, the Committee may review, at the discretion of the Chair, any rule determined by the OMB, in its analysis under IC 4-3-22-13, to have a fiscal impact of more than \$500,000.

II. SUMMARY OF WORK PROGRAM

The Committee did not meet or exercise any of its discretionary authority under IC 2-5-18-8 during the 2006 interim.

The Committee is not required to file a final report.

Meeting minutes for the Committee can be accessed from the General Assembly Homepage at http://www.in.gov/legislative/.